

**MODERN METHODS FOR IMPROVING CUSTOMER SERVICE
QUALITY IN COMMERCIAL BANKS**

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ABSTRACT	KEYWORDS
The article examines modern methods for improving customer service quality in commercial banks, including customer journey mapping, omnichannel service delivery, a unified CRM system, process automation, artificial intelligence assistants, systematic complaint analysis, and performance-based service quality management. Based on official data on digital identification, remote banking services, and consumer complaints in Uzbekistan, the study proposes an operational model designed to improve service speed, accuracy, security, and access to human support simultaneously.	Commercial bank, service quality, customer experience, omnichannel service, CRM, digital banking, artificial intelligence, complaint management, service level.

Introduction

The quality of banking services is not limited to the interaction a customer experiences when entering a branch. Opening an account, completing identification in a mobile application, confirming a payment, obtaining information about a loan, receiving a response when a problem arises, and understanding the outcome of a transaction together form a single continuous service chain. Therefore, assessing quality only by queue length or employee courtesy does not reflect the bank’s actual level of service. A modern approach requires the bank to manage, within one integrated system, the customer experience across all channels, transaction accuracy, clarity of information, security, and the ability to resolve a problem at the first point of contact.

The rapid expansion of digital banking services in Uzbekistan has made service quality even more important. According to the Central Bank, by the end of 2024 the number of users who had completed digital identification in the mobile applications of banks and payment organizations reached 12.2 million, while 28 commercial banks were using Face ID technology [1]. Digital channels save customers time; however, a single system failure may affect thousands of users simultaneously. Thus, digitalization itself does not guarantee quality. The stability and clarity of digital processes, together with the ability to restore service quickly when problems occur, become key quality criteria.

Literature Review

Scientific approaches to service quality place particular emphasis on the gap between the outcome expected by the customer and the outcome actually received. The SERVQUAL model distinguishes such dimensions as reliability, responsiveness, assurance, empathy, and tangibles [9]. As banking

services have moved into the digital environment, these dimensions have been supplemented by application speed, interface clarity, data privacy, ease of authentication, and continuity of information when customers switch between channels. Consequently, traditional survey results should be combined with operational data.

The World Bank's recommendations on financial consumer protection identify clear and comparable disclosure of product terms, fair business practices, data protection, and effective dispute-resolution mechanisms as integral components of service quality [4]. In 2024, the Central Bank of Uzbekistan strengthened requirements for banks to implement electronic information systems capable of registering and classifying complaints and identifying systemic deficiencies [1]. This approach shifts the focus from closing a complaint as an isolated case to identifying its root cause and improving the underlying process.

Research Methodology

The study employed systems analysis, comparative analysis, customer journey mapping, process decomposition, and indicator-based assessment methods. It examined the Central Bank's reports for 2024 and 2025, minimum requirements governing relations with consumers of banking services, the World Bank's principles of financial consumer protection, and academic sources on service quality. The proposed measures were assessed according to three criteria: value for the customer, operational efficiency for the bank, and protection of consumer rights from the regulator's perspective.

Analysis and Results

In 2024, the Central Bank system received 5,031 appeals, of which 94.7% were directly related to the activities of commercial banks. A total of 1,580 complaints concerning violations of financial consumers' rights were reviewed; the rights of 116 consumers were restored, and financial losses amounting to UZS 2.5 billion were prevented [1]. These figures show that customer appeals constitute a valuable source of information about a bank's service quality. When appeals are classified by subject, channel, product, region, recurrence, and resolution time, operational deficiencies can be identified at an early stage.

The first modern method is customer journey mapping. For each major service, the bank should identify the customer's objective, the sequence of stages, waiting time, required documents, potential failure points, and the responsible unit. For example, when opening an account, the advertising promise, application, identification, review of terms and conditions, account activation, and first transaction should be measured as a single process. If a customer who starts an application in the mobile application has to complete the same information again at a branch, the bank may have multiple channels but does not yet provide a true omnichannel service.

The second method is a unified customer profile and CRM system. Requests received through the contact center, branch, mobile application, internet banking, and social media should be linked to a single customer identifier. When an employee can view previous interactions within the limits of the customer's consent and the employee's authorization, the customer does not have to explain the same problem repeatedly. CRM should be designed not merely as a sales tool but as an operational platform that ensures continuity of service. Access rights should be role-based, and every view and modification should be recorded in an audit log.

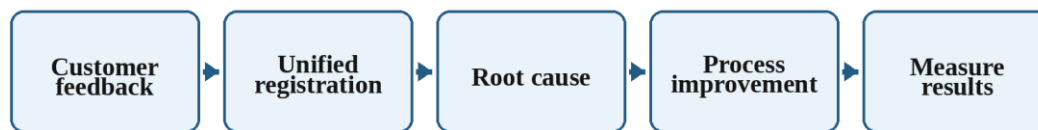


Figure 1. Process for converting customer feedback into service quality improvement

Source: developed by the author.

The third method is process automation combined with process analysis technologies. Process mining uses timestamps from operational information systems to reveal where an application becomes delayed, at which stage rework increases, and which branches have a higher share of exceptions. Robotic process automation reduces repetitive data entry, but it should not merely accelerate a poorly designed process. More sustainable results are achieved when unnecessary controls and duplicate activities are removed first and automation is introduced afterward.

The fourth method is to use artificial intelligence as a controlled assistant. A chatbot can provide rapid responses regarding standard tariffs, document requirements, and transaction status, while speech analytics can identify recurring problems in contact-center interactions. However, decisions that have a material effect on customer rights, such as loan rejection, account blocking, or suspected fraud, should be explainable and subject to human review. Incorrect model responses, language- or region-specific errors, use of personal data, and escalation speed should be continuously monitored.

The fifth method is to incorporate service-level agreements into internal management. For each product and channel, the bank should define response time, resolution time, transaction success rate, first-contact resolution rate, and the share of repeat contacts. The timeframe communicated to the customer must correspond to the bank's actual operational capacity. When an SLA is breached, the case should automatically be escalated to a higher level of responsibility, while the customer should be informed of the reason for the delay and the revised deadline.

Security and convenience should not be treated as opposing objectives. The Central Bank's 2024 anti-fraud measures recorded that online loans totaling UZS 304.1 billion were prevented from being issued in 28,138 cases in which additional identification had not been completed [1]. This demonstrates the importance of strong controls. At the same time, risk-based authentication can reduce unnecessary steps for routine low-risk operations while triggering enhanced verification when an unusual device, location, or transaction pattern is detected.

Table 1. Indicators for managing service quality in a commercial bank

Dimension	Key indicator	Management objective
Speed	Response and resolution time	Reduce waiting and delays
Accuracy	Share of error-free transactions	Reduce rework and financial losses
Convenience	Customer Effort Score	Eliminate unnecessary steps
Resolution	First-contact resolution	Reduce repeat contacts
Trust	Complaints and loss incidents	Protect consumer rights
Continuity	Digital channel uptime	Ensure service availability

Source: compiled by the author based on official sources.

Relying solely on the Net Promoter Score (NPS) is insufficient for measuring service quality. A customer's willingness to recommend the bank reflects an attitude toward the brand, but it does not identify the specific process in which a problem occurs. Therefore, NPS should be monitored together with customer satisfaction, Customer Effort Score, first-contact resolution, average resolution time, digital transaction success rate, complaint recurrence, and consumer-loss compensation indicators. The results should be disaggregated by product, channel, region, and customer segment.

The proposed management model consists of three levels. At the first level, problems are resolved quickly through real-time monitoring and appropriate employee authority. At the second level, the service quality unit identifies root causes using complaint data and operational information. At the third level, bank management reviews service quality, consumer losses, and corrective-action plans on a quarterly basis. Internal audit verifies the reliability of the indicators and whether corrective measures have actually been implemented.

Modernizing branch service requires more than electronic queue management. The reasons for customer visits should be analyzed to distinguish operations that can be completed remotely, situations requiring consultation, and processes for which original documents are necessary. Branch employees should be trained not merely to perform routine transactions but to act as advisers who can explain complex issues. When timestamps from the queue-management system are linked to the customer interaction and transaction outcome recorded in the CRM, the bank can obtain complete information on the beginning, duration, and completion of the service process.

The quality of information provided to customers directly affects the legal and economic outcome of the service. Banks should not limit disclosure to the nominal interest rate; they should present the total cost of credit, commissions, early repayment conditions, consequences of delay, and insurance costs in a consistent format. Short text on a mobile screen should not conceal material terms, while detailed documents should be accompanied by plain-language explanations. Confirming that the customer has seen the key terms is more effective than attempting to protect the bank through excessive amounts of legal text.

Accessibility of services for all groups should also be assessed separately. Mobile applications should be compatible with screen readers for persons with visual impairments and should provide sufficient color contrast and appropriately sized controls. Branches should ensure physical access for persons with disabilities, assistance for customers with hearing or speech impairments, and simple guidance

for older customers. Service quality should be measured not by forcing customers with limited digital skills to use an application, but by helping them learn to use digital services safely.

Employee competence development should go beyond memorizing product features. Practical training should cover clarifying a customer's question, explaining complex terms in simple language, managing disputed situations calmly, recognizing signs of fraud, and protecting confidential information. Quality control may include listening to randomly selected calls, mystery-shopping assessments, knowledge tests, and evaluation of solutions provided in real customer cases. Employees should be incentivized not only for sales volumes but also for accurate advice and reductions in repeat contacts.

The recovery process following a service failure should be designed in advance. In cases where an amount is debited twice, a transfer is not completed, or an application becomes unavailable, the bank should clearly specify which channel the customer should use, what information the bank will verify, what temporary solution may be offered, and when the final response will be provided. Rather than concealing an error, the bank should explain its cause, scope of impact, and expected correction period. In justified cases, granting first-line employees limited authority to refund a commission or compensate a loss can accelerate resolution.

Data governance is the technical foundation of a service quality program. Duplicate customer identifiers, outdated telephone numbers and addresses, and inconsistent product names across systems distort analysis. Banks should establish a unified data dictionary, data-quality rules, and responsible data owners, while preserving the history of corrections. Customer consent, data-retention periods, and rules for sharing data with third parties should be incorporated into product design from the outset. Without high-quality data, personalized service and the safe use of artificial intelligence are not possible.

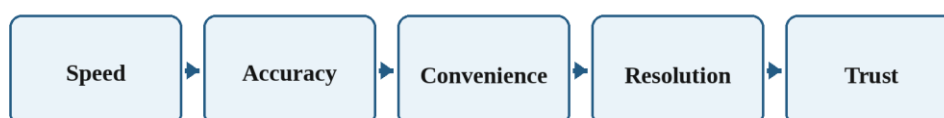


Figure 2. Proposed practical directions for service quality management

Source: developed by the author.

Conclusion and Recommendations

Service quality in a commercial bank is not the responsibility of a single employee; rather, it is a management system that integrates product design, information systems, risk management, and customer communication. As digital channels expand, reliability, explainability, and the ability to recover from service failures become as important as service speed.

Based on the findings of the study, the following measures are proposed: 1) approve customer journey maps and service standards for key banking services; 2) connect all channels to a unified CRM system and a common taxonomy of customer requests; 3) complement NPS with operational quality and consumer-loss indicators; 4) introduce human oversight and explainability mechanisms for artificial-intelligence-supported decisions; 5) develop risk-based authentication and real-time anti-fraud systems; and 6) monitor the elimination of root causes of complaints at the level of bank management and internal audit.

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